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### ACCELERATOR

## Measuring Financed Emissions

Empowering risk management and ESG leaders at financial institutions to assess, manage, and monitor ESG risk.



## What are financed emissions?

Financed emissions refer to the greenhouse gas emissions that are indirectly supported or influenced by financial activities, such as investments, loans, or other forms of financial support. Essentially, when banks, investors, or financial institutions provide funds to businesses, projects, or activities, they may contribute to emissions associated with those entities.



For example, if a bank invests in or provides a loan to a company that heavily relies on fossil fuels, the emissions generated by that company's operations would be considered **financed emissions.** 

It's a way of looking at the environmental impact of the financial decisions and support provided by institutions. The goal is to assess and reduce the carbon footprint associated with various financial activities.

## How are financial institutions responding?

In response to the growing urgency for action and disclosure requirements, financial institutions are taking significant steps.

#### Currently, over 40% of global assets are committed to aligning lending and investment portfolios with net-zero emissions by 2050 as part of the UN-convened <u>Net-Zero Banking Alliance</u>.

Alliance members pledge to establish short-term targets (by 2030 or earlier) and long-term targets for 2050, with an initial focus on the most emissions-intensive industries.



# Reporting, ultimately, should be a by-product of an ESG program where real-time data is integrated into decision making on a continuous, ongoing basis.

Matt DiGuiseppe World Economic Forum October 28, 2021

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## How can Slalom help financial institutions prepare for regulatory compliance?

Slalom offers a prebuilt configuration of Salesforce Net Zero Cloud to help Financial Sector companies measure

the climate impact associated with their products and services.

This solution empowers risk management and Environmental, Social, and Governance (ESG) leaders to evaluate, handle, and track both qualitative and quantitative ESG risks.

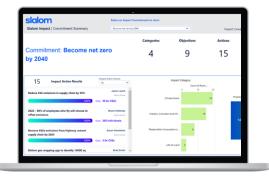
Financial institutions can ingest third-party risk datasets and engage directly with customers to capture financed emissions data. Slalom's solution allows them to precisely evaluate risk and make well-informed, streamlined decisions about allocating capital. Thus, helping expedite progress toward meeting sustainability goals.

Slalom's certified Salesforce Net Zero Cloud team has years of experience delivering ESG solutions for our clients in Financial Services.

We bring a unique perspective to every engagement with a focus on delivery excellence to transform data into societal leadership and address the world's most pressing issues. **#1** Net Zero Cloud Implementation Partner

**#2** Salesforce Partner for Net Zero Cloud credentials in AMER **1 st** Consultancy to implement Net Zero Cloud

40+ Consultants trained on Net Zero Cloud



# **Additional Resources**

#### Webinar

Learn how financial institutions are taking an increasingly active role in sustainability, quantifying and reducing their own carbon emissions, as well as in their financing and investment activities.

#### **Net Zero Banking Alliance**

Industry-led and UN-convened, the Net Zero Banking Alliance (NZBA) is a group of leading global banks committed to financing ambitious climate action to transition the real economy to net-zero greenhouse gas emissions by 2050.

#### Visit site

#### Visit site

#### Blog

Five banking leaders share their outlook for sustainable banking. Read their insights on how banks play a pivotal role in transitioning to a net zero economy.

#### Visit site

# About Slalom

# Slalom is a purpose-led, global business and technology consulting company.

From strategy to implementation, our approach is fiercely human. In eight countries and 45 markets, we deeply understand our customers—and their customers—to deliver practical, end-to-end solutions that drive meaningful impact. Backed by close partnerships with over 400 leading technology providers, our nearly 12,000 strong team helps people and organizations dream bigger, move faster, and build better tomorrows for all. We're honored to be consistently recognized as a great place to work, including being one of *Fortune*'s 100 Best Companies to Work For eight years running.

Learn more at **slalom.com**.